



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 3/19/2019

ALL

Item Creation Date: 3/1/2019

ARA-General Property Insurance Renewal 2019 - GRB

Agenda Item#: 15.

Background:

The Administration & Regulatory Affairs Department recommends that Council: (1) approve the proposed General Property Insurance policy recommended by the City's Insurance Broker of Record, McGriff, Seibels & Williams of Texas, Inc. ("McGriff") for the George R. Brown Convention Center ("GRB") that is leased and managed by the Houston First Corporation ("HFC") and (2) accept the proposal from Hartford Fire Insurance Company recommended by McGriff.

The details regarding the solicitation, the City's Property Insurance program, and the proposed renewal were presented to City Council's Budget and Fiscal Affairs Committee on March 5, 2019.

A Request for Proposal (RFP) for General Property Insurance, including an optional request for separate coverage for the GRB, was issued and advertised on December 21, 2018 and December 28, 2018 for coverage, effective April 1, 2019. McGriff solicited proposals from 51 domestic and international insurance carriers. Of those carriers solicited, a single carrier proposed to provide coverage for the stand-alone policy for the GRB.

The total premium for the GRB is \$677,250.00. HFC will fund the proposed Property Insurance premium; no City of Houston funds are requested for this premium.

Terms of the proposed GRB General Property Insurance policy are:

George R. Brown Convention Center

- Term: April 1, 2019 to April 1, 2020
- Insurance Carriers: Hartford Fire Insurance Company.
- Total Premium Cost: \$677,250.00
- Rate: \$0.134 per \$100 of insured property value
- Insured Property Value: \$489,940,054 (Replacement Cost Basis)
- Insured Revenue Stream: \$15,274,876 (Actual Loss Sustained Basis)
- Total Insured Value: \$505,214,930
- Type of Coverage: All Risk Coverage (excluding terrorism coverage), which includes flood and earthquake for buildings and contents, as well as Business Interruption coverage at scheduled HFC leased properties
- Deductibles: \$500,000 per occurrence, except (1) 2% of values for flood from a named storm, subject to a \$500,000 minimum (2) 2% of values for windstorm losses from a named storm, subject to a \$500,000 minimum.
- Loss Limits: \$505,214,930
- Named Storm Limits: \$200,000,000
- Flood Loss Limit: \$200,000,000

Departmental Approval Authority:

DocuSigned by:

Tina Paez

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**Tina Paez, Director
Administration & Regulatory
Affairs Department**

Other Authorization

Prior Council Action:

3-21-18; Ordinance No. 2018-210

Amount of Funding:

Houston First Corporation

Contact Information:

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ATTACHMENTS:

Description	Type
3.1.2019 GRB Property Insurance Attachment.docx	Backup Material